

## Message Text

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ACTION PM-04

INFO OCT-01 EA-07 ISO-00 CIAE-00 H-02 INR-07 L-03 NSAE-00

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 MC-02 EB-07

TRSE-00 OMB-01 SAM-01 IO-10 /075 W

----- 089223

R 040845Z SEP 75

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC 2584

INFO SECDEF WASHDC

CINCPAC

CINCUNC

C O N F I D E N T I A L SEOUL 6899

E.O. 11652: GDS

TAGS: MASS, MPOL, KS

SUBJECT: ROK FORCE IMPROVEMENT PLAN

1. SUMMARY: DEPUTY PRIME MINISTER NAM DUK WOO  
DISCUSSED WITH AMBASSADOR POSSIBILITY OF U.S. FMS  
CREDITS TO SUPPORT ROKG FIVE YEAR FORCE IMPROVEMENT  
PLAN. END SUMMARY.

2. NAM RAISED WITH AMBASSADOR HIS CONCERNS REGARDING  
FINANCING OF FOREIGN EXCHANGE COSTS OF FORCE IMPROVEMENT  
PLAN. HE ESTIMATES ANNUAL FOREIGN EXCHANGE COST  
(OVER FIVE YEAR PERIOD) WILL BE APPROXIMATELY THREE  
HUNDRED MILLION DOLLARS OVER AND ABOVE AN ADDITIONAL  
ONE HUNDRED MILLION DOLLARS OF FOREIGN EXCHANGE COST  
FOR O & M. FIVE YEAR TOTAL WOULD BE TWO BILLION DOLLARS.  
NAM IS, FRANKLY, AT A LOSS ON HOW TO COVER THESE COSTS  
WITHIN HIS FOREIGN EXCHANGE BUDGET. HE BELIEVES THAT THE  
ROK FOREIGN EXCHANGE POSITION WILL BE PARTICULARLY TIGHT OVER  
NEXT TWO OR THREE YEARS.

3. NAM ASKED ABOUT PROSPECTS FOR FMS COMMERCIAL  
GUARANTEED CREDIT TO COVER AT LEAST A MAJOR SHARE OF  
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THESE FOREIGN EXCHANGE COSTS. AMBASSADOR REPLIED THAT HE

WAS NOT IN A POSITION TO GIVE ANY SORT OF AUTHORITATIVE  
ESTIMATE ON THE PROSPECTS FOR FMS CREDIT. HE REITERATED THE  
POSITION TAKEN BY SECRETARY SCHLESINGER WHEN THIS QUESTION  
WAS RAISED BY MINISTER SUH, NAMELY THAT HE HAD TAKEN NOTE OF  
THE ROK DESIRES AND WE WOULD DO OUR BEST TO MEET THEM.  
AMBASSADOR ALSO SUGGESTED THAT A MORE REFINED PLAN FOR  
ANNUAL FOREIGN EXCHANGE COSTS BE DEVELOPED FOR FIVE YEAR PERIOD  
TO PROVIDE A CLEARER ESTIMATE AS A BASIS FOR FURTHER  
CONSIDERATION OF THIS PROBLEM.

4. NAM REQUESTED THAT WASHINGTON GIVE CONSIDERATION TO THIS  
PROBLEM WHICH IS CENTRAL TO ACHIEVEMENT OF THE FORCE  
IMPROVEMENT GOALS. OUR RECOMMENDATIONS WILL FOLLOW AFTER  
FURTHER STUDY FIVE YEAR PLAN.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY BUILDUP, MEETINGS, MILITARY CREDIT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 SEP 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** GolinoFR  
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**Review Content Flags:**  
**Review Date:** 16 JUL 2003  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ROK FORCE IMPROVEMENT PLAN  
**TAGS:** MASS, MPOL, KS, US, (NAM DUK WOO)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006